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SECRETARY, BOARD OF
OIL, GAS & MINING

**BEFORE THE BOARD OF OIL, GAS, AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH**

**In Re Petition of Gypsum Resources
Development, Inc. (GRD) for Extension of
Suspension Period for small mine permit,
White Cap #8, located in the SW1/4 of
Section 23, T 23 South, R 10 East, SLBM,
Emery County, Utah**

**Stipulation of Division and
Petitioner regarding the Request
for Agency Action**

Docket No. 2006-007

Cause No. S/015/047

Division of Oil, Gas and Mining, (Division) through its counsel Steven F. Alder, Assistant Attorney General, and Curtis Larkin on behalf of the Petitioner, Gypsum Resources Development, Inc. (GRD) hereby Stipulate as follows.

1. The Petitioner has requested an extension of time under R647-3-112(5) which provides that "[t]he Division will require complete reclamation of the mine site when the suspension period exceeds 10 years, unless the operator appeals to the Board prior to the expiration of the 10 year period and shows good cause for a longer suspension period."

2. The Petition does not directly address the amount of time that the small mining operations have been suspended, nor the amount of time requested for an extension of the suspension period.

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**ATTORNEY GENERAL
Natural Resources Division**

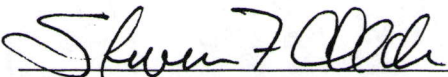
3. The Division and the Petitioner have agreed that the Petitioner will not oppose the request for an extension upon certain conditions, and the Petitioner has agreed to limit his request in conformance with the following conditions:


- A. Prior to the hearing the Petitioner will complete the addition of the Division as a holder of the reclamation surety prior to the hearing, and will arrange for payment of the past due permit fees in the amount of \$400.00 (without penalties).
- B. The GRD request for an extension of the permit shall provide that if an extension of the suspension period is granted, such extension shall require that the Petitioner shall: (a) commence reclamation of the mine site no later than October 1, 2006, and complete reclamation no later than November 1, 2006; or (b) complete all work necessary to file claims and otherwise perfect its rights to commence mining on the BLM lands within the permit area by November 1, 2006, execute a contract with a bona fide and licensed contractor providing for mining operations to begin prior to December 31, 2006, and provide additional surety , if any, as required by the Division.
- C. The Petitioner will further consent to an Order of the Board as a condition to the extension of suspension period, providing that in the event the conditions under paragraph B have not been fully complied with by November 1, or the petitioner fail to proceed with mining operations prior to December 31, 2006;

then upon 5 days notice to the Petitioner and without further hearing, the reclamation bond shall immediately forfeited to the Division, and the Division will be authorized to immediately begin reclamation of the lands affected by the mining activities for which the bond has been provided, and that exercise of such remedy by the Division shall be without prejudice to pursue any other remedies, and to recover any and all costs of reclamation not covered by the bond.

4. The Board's jurisdiction in this matter shall not include the notice violation MN 2006 -03-01 issued by the Division on February 3, 2006 which the Division and Petitioner reserved for further action.

5. The petitioner shall have the burden of persuading the board that there are grounds for considering the Petition and good cause for the extension of the suspension period.


Steven F. Alder,
Assistant Attorney General
Attorney for the Division of Oil,
Gas, and Mining
Date: 5/19/06


Curtis Larkin
Gypsum Resources Development,
Inc.
Date: 5/16/06